

Acquisition Mission~ Bavarian Review



EDELWEISS DIRECTOR OF CONTRACTING PLEADS GUILTY TO ACCEPTING BRIBES

A former Director of Contracting for the U.S. Army has pleaded guilty to accepting bribes in exchange for awarding U.S. Army contracts at an Army recreational facility in Germany and to filing false federal income tax returns.

Steven G. Potoski, 46, of Shriesheim, Germany, a former civilian employee of the U.S. Army, pleaded guilty to a criminal information charging him with one count of bribery and three counts of filing false tax returns.

Potoski served as Director of Contracting for the Edelweiss Lodge and Resort, Armed Forces Recreation Center (AFRC Europe), in Garmisch, Germany. The Department of the Army serves as the executive agent for the AFRC Europe and operates it on behalf of the Department of Defense. Patrons at the AFRC Europe include active duty U.S. military personnel serving in Afghanistan and Iraq.

While serving as Director of Contracting, Potoski accepted bribes from contractors and subcontractors in exchange for contract awards related to work at the AFRC Europe. To fund and conceal the

bribes, the contractors and subcontractors agreed with Potoski to fraudulently inflate the price of the contracts and to submit the inflated contracts to Potoski for approval. In some instances, the contractors and subcontractors would pay Potoski, and others at Potoski's direction, the difference between the inflated and actual contract price. In other instances, the contractors and subcontractors would split with Potoski the difference between the actual and the inflated price of the contract.

In all, Potoski accepted over \$350,000 in bribes from 15 contractors or subcontractors - two American contractors, 12 German contractors, and one British contractor. Potoski also accepted bribes from defense contractors in the form of home renovations, automobile maintenance, airline tickets, hotel rooms and furniture, among other things.

Potoski faces a maximum sentence of 15 years in prison and a \$250,000 fine for the bribery count and a maximum of three years in prison and \$100,000 fine for each count of filing false tax returns. Dec 6, 2006, U.S. Newswire.

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**BEST WISHES FOR A HAPPY NEW YEAR,
FROM ALL OF US AT RCO BAVARIA...**



FURNITURE PURCHASES MUST GO THROUGH THE GARRISON PBO

In December, USAREUR delegated the authority to purchase and dispose of all office furniture in the Garrisons to IMCOM-E. As a result, USACCE will not accept any purchase requests from any unit/activity other-than the Installation Property Book Offices (IPBOs).

If you need furniture, you must submit a current baseline inventory of your furniture to the IPBO, with your furniture requirement, and include the impact to your unit/activity if the requirement is not

filled within a specific timeframe, or without specific conditions (color, type of material, size, etc.).

The Garrison will either fill the need from current inventory, or submit the requirement to IMCOM-E, which will coordinate with all other Garrisons to determine whether excess furniture exists. If IMCOM-E cannot fulfill the requirements, only then will a request for purchase of furniture be forwarded to USACCE.

DON'T FORGET!!

The GPC Billing Cycle ends the 19th of every month (or the previous workday if the 19th is on a weekend).

COORDINATE ALL GPC PURCHASE REQUESTS WITH THE IPBO

Approving officials and Cardholders are reminded that it is required to coordinate all GPC purchase requests with the IPBO prior to purchasing with the GPC.

The purpose of this is to document the screening for availability of the required items from:

- (1) on-hand inventories;
- (2) excess from other military services or federal agencies; or

- (3) mandatory supply sources before proceeding with a local purchase.

The IPBO will also determine whether the items are expendable, durable, or non-expendable and whether they need to be on an installation hand-receipt.

See Chapters 5-9 of AE710-2, and FAR Part 8. Questions? Call Tom Calcagno or Hans-Juergen Diepold at DSN 475-8715 or 475-8778.



Surprise, Regina!

ACQUILINE (PR WEB) MANDATORY

PR Web (Acquiline) is mandatory for submitting Purchase Requests to any of USACCE's offices. If you don't have a license, password, or login, contact your local RCO.

To schedule training directly with RCO Bavaria, please contact Mr. Christian Dilling at DSN 475-8734, or send an email to him at Christian.Dilling@us.army.mil.

GUIDE SHOWS HOW TO ANALYZE CONTRACTOR'S PAST WORK

Contracting Officers have a new guidebook to help them as they weigh Contractors' past performance. The GSA published the Best Practices Guide in the Nov. 16th Federal Register, and will accept public comments until Jan. 16, 2007. The Guide is available at www.acquisition.gov.

The guide combines existing guides in use by the OMB and OFPP and the DoD,

and creates a government-wide document that can accommodate a range of procurements - from the simple to the most complex.

The Guide was the product of a Government Working Group studying how to improve the use of performance information.

Federal Times, November 8, 2006.



One of our Office Trees....

GSA, DEFENSE REACH AGREEMENT ON ACQUISITION POLICIES

The GSA announced Tuesday that it has agreed to honor the Defense Department's interpretation of appropriations law when placing orders for Defense buyers.

In an agreement signed Dec. 4 by Shay Assad, director of defense procurement and acquisition policy, and Dec. 6 by GSA Chief Acquisition Officer Emily Murphy, GSA officials outlined a series of steps the agency will take to placate long-standing Defense concerns about interagency contracting.

The two agencies have disagreed about when federal law requires the clock to start counting the time remaining on contracts for services purchased on an annual basis, also known as "severable services" contracts.

GSA's position continues to be that it has about 90 days after a fiscal year ends to obligate money from an agency to vendors. Defense says no money can be held over from one year to the next, and GSA has promised to abide by that rule for all Defense purchases made through it. FedTimes.com. 12DEC06.



FAC 2005-15 REISSUED

Subpart 15.5, Time and Materials, Labor-Hour and Letters Contracts has been changed significantly. Not only may T&M contracts be considered commercial in certain circumstances, there are several new clauses to consider when using this type of contract.

Note that any contracts exceeding three years for the base year and any options must be approved by the HCA.



WELCOME HOME,, BLOODHOUNDS....

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Acquisition is All About Mission.

KLAUS NEUMANN IS THE FY07/01 EMPLOYEE OF THE QUARTER.



Last Quarter, Klaus did a terrific job in assisting the office with its Contract Action Reports. He single-handedly completed, or fixed, hundreds of the dreaded things, working with Contractors, Specialists, KOs, and external Agencies to make sure they were completed. Well done, Klaus! And Congratulations.....

ACQUISITION PLANNING ENSURES MISSION SUCCESS

One of the many responsibilities of RCO Bavaria is to acquire goods and services for high-value, mission-critical programs within Europe. When such a need is anticipated, it is vital that the RCO and the requiring activity start early in working together to build the right solicitation.

The end goal is to award a contract, complying with competition and other rules of Federal acquisition laws and regulations, that can be administered smoothly and that meets the broad and complex needs of the program. To meet that goal, RCO Bavaria will require substantial assistance – and subject matter expertise – from the requiring activity in drafting the performance work statement and source selection plan. This process can start

as early as nine months, but should begin no later than six months, prior to expected contract award.

In today's environment, we appreciate the difficulty for an organization to carve out the necessary time to do this, but our experience has been that such effort is the best way to award a contract that supports the requiring activity in fulfilling the mission, rather than having a contract that creates more problems than it solves.

Questions? Contact our Operations Division Manager, Major Todd Cundy, who can be reached at DSN 475-8726, commercial 09641-83-8726.